

TY 2005 VRPP Training Supplement - Technical Updates (12/2005)

Recent tax law changes effective after the publication of the VRPP training products and critical technical updates are conveyed in the chart below. Please make pen and ink changes to your training material.

Product(s)	Lesson/Topic	Page(s)	Supplemental/revised content
Publication 4012	Tab B Filing Status	9	Replace the text in the two boxes referencing “more than 6 months” with “ more than half of the year ”.
Publication 678	Lesson 2	2-10	
Publication 4012	Tab B Filing Status	9	Replace footnote #3 with “ see page 12 for the definition of a qualifying child and add adopted child. ”
Publication 678	Lesson 2	2-10	Replace footnote #3 with “ see page 1-13 for the definition of a qualifying child and add adopted child. ”
Publication 4012	Tab C Exemptions	12	Replace “parent” with the highest AGI with “ person ” with the highest AGI.
Publication 678	Lesson 1	1-9	
Publication 4012	Tab C Exemptions	11	Change 2005 Exemption chart - \$3,200 x 4 = \$12,800 (not \$12,400).
Publication 4012	Tab 1 Starting TaxWise	35	Replace “(see page 66)” with “ (see page 69) ” in the 6 th note in the right margin.
Publication 4012	Tab 4 TaxWise Deductions	54	Add “ by ” after Reduce in the 2 nd note in the right margin.
Publication 4012	Tab 4 TaxWise Deductions	55	Add a semicolon between rent and insurance on the 1 st line of the Miscellaneous section under Nondeductible items.
Publication 4012		56	Change to “ for the last four months of 2005, the standard rate for miles driven for medical was increased to 22 cents per mile. ”
Publication 4012	Tab 8 References	73	Change Refund Cycle chart – Transmit between Apr 13 and 20 – Direct Deposit date – “ change jApr 21 to Apr 28 ”.
Publication 678	Lesson 1	1-2	Add to 2 nd paragraph under SSN “An original letter from the SSA showing the Social Security Number is an acceptable substitute for the social security card.”
Publication 678	Lesson 4	4-5	Add “transportation for medical care at 15 cents a mile through 8-31-2005; then 22 cents a mile from 9-1-2005 through 12-31-2005 ” in the 5 th bullet under “Deductible expenses include”: Corresponding change for the Alert box.
Publication 678W	Basic	CPE B-1	Refer to pages 10-17 to 10-23 of Publication 678 for tax law information on Student Loan Interest Deduction and Tuition and Fees deduction for “ lines 26 and 27 ”.
Publication 678W	Basic	CPE B-6	Change \$2,405 to “ \$2,410 under Line 26-Tax Refund Due. ”
Publication 678W	Basic	CPE B-7	Change \$4,248 to “ \$4,259 under Recheck Tuition Deduction- Tax Refund Due. ”
Publication 678W	Intermediate	CPE I-9	Change \$46, 324 to “ \$47,999 under Line 22 – Total Income. ”
Publication 678W	Intermediate	CPE I-10	Replace “Patricia’s mother” with “ Patricia ”.
Publication 678W	Intermediate	CPE I-11	Change Line 49 from.....now becomes \$42,920 to “now becomes \$34,380. ”
Publication 678W	Intermediate	CPE I-11	Change Line 50 from.....TW04 \$3,574 to “TW04 \$3,454. ”
Publication 678W	Intermediate	CPE I-11	Change Line 51 from..... TW04 \$334 to “TW04 \$454. ”
Publication 678W	Intermediate	CPE I-11	Change Line 67 from..... TW04 \$1,666 to “TW04 \$1,546 ”
Publication 678W	Intermediate	CPE I-11	Change Line 72 from..... TW04 \$3,574 to “TW04 \$3,454. ”

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Publication 678W	Intermediate	CPE I-29	Insert the Social Security Numbers for Ronald Morehouse "121-XX-XXXX" and Lisa Morehouse "122-XX-XXXX" .
Publication 678W	Intermediate	CPE I-32	Change the check box from "yes" to "no" next to the question "Can you parents or someone else claim you....."
Publication 678W	Advanced	CPE A-7, A-8, A-9, A-10	Change the 1 st two numbers of the EIN in the information documents of the 1099 series from 28 to "27" .
Publication 678W	Advanced	CPE A-11	Change Line 20 fromTW04 \$24 to ".....\$22."
Publication 678W	Advanced	CPE A-12	Change Line 21 from..... TW04 \$30 estimated tax penalty to ".....TW04 \$27 estimated."
Publication 678W	Advanced	CPE A-12	Change Line 25 from..... TW04 \$30 estimated tax penalty to ".....TW04 \$29 estimated."
Publication 678W	Advanced	CPE A-12	Change Line 26 from..... TW04 \$28 estimated tax penalty to ".....TW04 \$26 estimated."
Publication 678W	Advanced	CPE A-12	Change Line 27 from..... TW04 \$27 estimated tax penalty to ".....TW04 \$25 estimated."
Publication 678W	Advanced	CPE A-12	Change Line 34a from..... TW04 \$12 estimated tax penalty to ".....TW04 \$0 estimated."
Publication 678W	Advanced	CPE A-13	Change the negative (\$68) to a positive "\$68" in the last line on the page.
Publication 678W	Advanced	CPE A-14	Change Line 7afrom \$243 to "\$487" And from \$293 to "\$586" .
Publication 678W	Advanced	CPE A-41	Answer "Yes" rather than "No" to the question "Did you provide more than 50% of their support?", under the Family and Dependent Information section.
Publication 4011		10	Change China Treaty refers to "The Peoples Republic of China." The treaty does not include Hong Kong or Taiwan.
Form 6744	Advanced	39	Move \$25,288 from Box 5 to Box 9b.
Form 6744	Advanced	40	Change Benefits paid by direct deposit to "\$5820.00" and change TOTAL to "\$6768.00" .
Form 6744	Military	50	Change Q48 answer choice "d" to \$1434 .
Form 6744	Military	50	Change Q50 answer choice "c" to a refund of \$2993 .
Form 6745	Segment 2	14	Change Q34, line number reference to line 7 .
Form 6745	Advanced	41	Change Benefits paid by direct deposit to "\$2341.00" and change TOTAL to "\$2654.00" .
Form 6745	Advanced	42	Change Benefits paid by direct deposit to "\$5716.00" and change TOTAL to "\$6654.00" .